

**ABSTRACT**

The current invention relates to a system that manages consumer incentive securitys. The system allows a security to have a predetermined associated risk. The system has a server that monitors economic activity of an individual related to a retailer, producer, or manufacturer. When an individual performs an economic transaction, the server correlates that transaction with their history. Based on that history, the individual is offered discounts or other actions related to the entity's securities. Transactions are tracked using networking technology, and may be involve online ordering, or wireless enabled ordering. Additionally, the individual may purchase a first security. The server tracks the individual's transactions, and offers to convert portions of the first security for a second security upon predetermined criteria. The issuer can use a portion of the initial investment to guarantee a predetermined risk. Thus, the investor enjoys a predefined risk, and has the option to participate in the upside of the second security when he or she converts it.